



## Market and Trade Data

### Trinidad and Tobago's Food Service Sector Also Promising

**By Kay Logan**

Though not as large as its retail food and beverage sector, Trinidad and Tobago's HRI (hotel, restaurant and institutional) sector is a vibrant area of commerce. Like the retail sector, the HRI market is driven by a growing economy, population and middle class, as well as an increasing number of women in the workforce. Also as in the retail sector, the United States is the country's largest foreign supplier of food and beverage products.

In 2004, Trinidad and Tobago's hotel and restaurant food service sales reached \$216 million. High-end and family-style restaurants accounted for 75 percent of total food service sales, followed by fast-food outlets at 15 percent and institutions at 10 percent.

There are 117 hotels with 3,732 rooms, over 600 restaurants and 185 fast-food eateries. Approximately 95 percent of hotels and restaurants are locally owned, a factor that has significant implications for exporters seeking to serve this market, because these businesses tend to obtain both domestic and imported products through domestic companies.

Food service companies in Trinidad and Tobago buy 80 percent of their food and beverage products from local importers and 15 percent from local manufacturers; they import the remaining 5 percent directly from U.S. suppliers. For example, when restaurants need certain products, such as specific brands or ethnic ingredients that local importers do not carry, they will import those items directly.

The best method for U.S. suppliers to enter the HRI market is via the local importers. They generally have wide access to the food and beverage market segments, large warehouse facilities and big inventories; U.S. suppliers can maximize their sales by working with them.

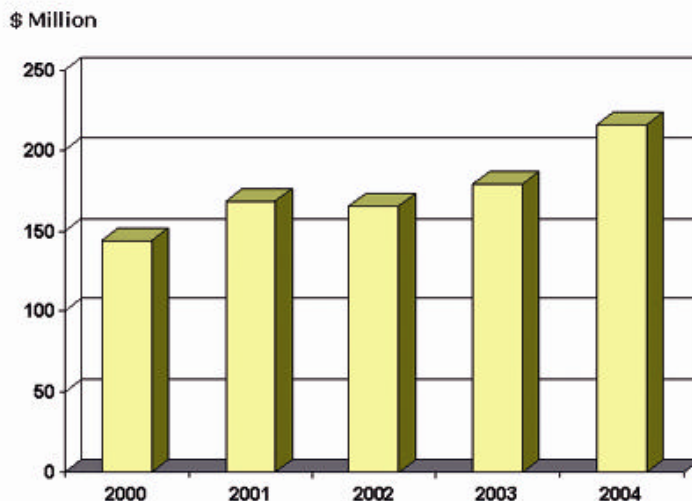
While importers prefer to respond to chefs' and food and beverage managers' requests, the first step for new product introductions is to have product samples tested in hotels or restaurants. However, importers are always interested in high-quality, good-value products, and usually willing to take the responsibility of introducing products to their customers, given promotional incentives from the supplier. Moreover, local importers and food service representatives travel to trade shows such as the National Restaurant Association and Americas Food and Beverage shows to meet face-to-face with product representatives.

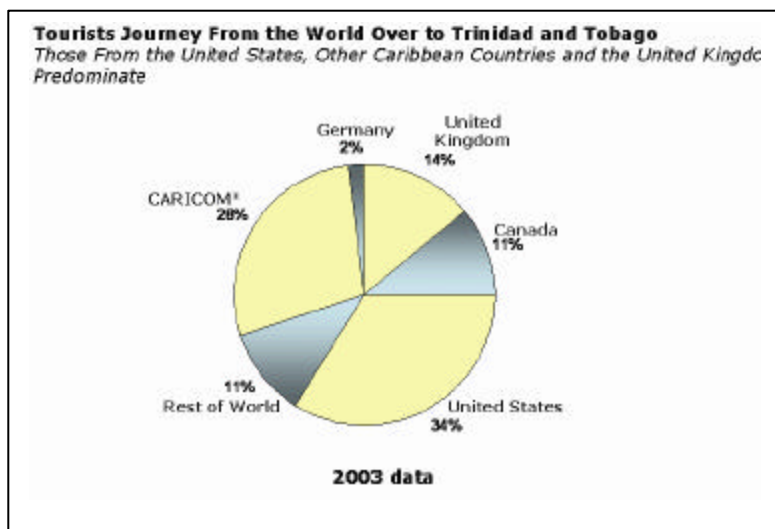
Some fundamentals differentiate the HRI sectors of the two islands.

#### Hotels and Guest Houses

Trinidad's HRI sector relies primarily on local and foreign business customers, while Tobago's HRI sector depends completely on tourists. Trinidad is a choice location for business and regional political conferences; many regional businesses also have their headquarters there. But many tourists go to Trinidad for Carnival, the biggest Mardi gras celebration in the Caribbean.

**For 2000-2004, Hotel and Restaurant Food Service Sales in Trinidad and Tobago Have Climbed Fairly Steadily**





Tobago's tourism season, like that of other Caribbean islands, runs from Thanksgiving through Easter. The island also sees a small increase in tourism for the Tobago Heritage Festival in July.

But on both islands, hotels rely on local importers for 75 percent of their food and beverage needs, local manufacturers or producers for 20 percent and direct importation for 5 percent.

### Restaurants

Most fine dining is found in the capital city of Port of Spain, Trinidad, and on Tobago. Most fine dining establishments have an international staff of chefs, while casual eateries most often have local chefs. KFC is the largest restaurant chain, followed by the locally-owned Royal Castle. Most restaurants do not import food and beverage products directly; they buy 90 percent from local importers and the remaining 10 percent from local manufacturers or producers. Popular cuisines include Chinese (currently the most trendy), Caribbean, Creole, Indian, French, Italian, Thai and American.

### Institutions

The institutional food service industry also is an attractive niche in Trinidad and Tobago. Oil and natural gas operations, airlines and yachts offer the most opportunity to U.S. suppliers.

Oil and natural gas operations demand a steady supply of many food and beverage products. Catering businesses in Trinidad provide a full range of services for land-based and offshore operations, such as buying products and preparing meals. The majority of catering companies purchase their products from local importers. However, Classic Caterers, Trinidad's largest offshore catering service, recently acquired its own

warehouse facility and began importing products directly from U.S. suppliers.

The best method to enter this market segment is via direct contact with catering companies (by sending product literature and samples and traveling to Trinidad to do product presentations) and through close contact with the retailers servicing it. If they are interested in a product, caterers will then ask their local importers to obtain it for them.

Airlines constitute another lucrative institutional niche. Trinidad is home to British West Indies Airways, one of the Caribbean's largest airlines. American Airlines, Aeropostal and American TransAir also fly to the islands.

Allied Caterers serves as the sole airline caterer in Trinidad and Tobago. The company enjoys using U.S. products because of their consistency and quality. While Allied Caterers uses local importers and wholesalers for international and domestic product needs, the company prefers working directly with U.S. suppliers.

Yachts are another profitable niche. Trinidad and Tobago is just south of the hurricane belt, making it popular with yachters. The two islands have seven marinas and ten ports. The Chaguaramas Peninsula on Trinidad and the Ports of Scarborough and Charlotteville on Tobago are the main areas of yachting development. The yachting community, comprised of people from all over the world (45 percent from the United States), prefers imported, brand-name food and beverage products. Some yachters order by radio from suppliers specializing in yacht provisioning, but most purchase from local retail outlets.

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